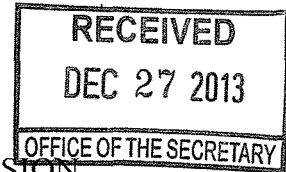


UNITED STATES AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



SECURITIES ACT OF 1933
Release No. 9477 / November 13, 2013

SECURITIES EXCHANGE ACT OF 1934
Release No. 70868 / November 13, 2013

INVESTMENT COMPANY ACT OF 1940
Release No. 30783 / November 13, 2013

ADMINISTRATIVE
PROCEEDING File No.
3-15613

In the Matter of

JULIEANN PALMER MARTIN

Respondent

ANSWER TO ADMINISTRATIVE
AND CEASE-AND-DESIST
PROCEEDINGS

I.

The Respondent, Juliann Palmer Martin, by and through counsel, hereby submits an Answer to the above entitled administrative and cease-and-desist proceedings:

II.

Allegation:

A. RESPONDENT

Answer: Respondent admits the allegations in section A.

B. OTHER RELEVANT ENTITIES

1. Respondent denies the characterization of the offering as a "purported" Regulation D offering. Respondent denies that the PPM contained

material misstatements and omissions and the use of sales materials other than the private placement memorandum were used. Respondent admits the remaining allegations in paragraph 1.

C. FACTS

1. Respondent denies the characterization of her responsibilities at National Note as “office manager” and assistant to Wayne Palmer. Respondent denies that she received commissions. Respondent admits the remaining allegations in paragraph 1.
2. Respondent denies the allegation that she was “solely responsible for investor funds at National Note.” Respondent denies the characterization that she was responsible for managing “every penny that came in or went out on a particular note, notes receivable and notes payable.” Respondent admits the remaining allegations in paragraph 2.
3. Respondent admits the allegations in paragraph 3, but denies that she “checked the balances daily.”
4. Respondent denies that she monitored and collected National Note’s income from real estate investments. Respondent denies the allegation that at any given time she knew whether National Note’s income was sufficient to pay its obligations. Respondent lacked sufficient knowledge to know whether the loans National Note made to other entities were adequately collateralized. Respondent admits that she kept track of information in the NoteSmith system, sent demand letters as needed and paid operating expenses of the business. Respondent denies the remaining allegations in paragraph 4.
5. Respondent denies that she was the primary, and in some cases, only contact at National Note. Respondent admits the remaining allegations in paragraph 5. Respondent affirmatively asserts that beyond answering general questions, Wayne Palmer handled all questions regarding the program and any information respondent conveyed to investors regarding their investment came from Wayne Palmer.
6. Respondent denies the allegations in paragraph 6.
7. Respondent admits that she was compensated in the form of salary

but denies the remaining allegations in paragraph 7.

8. Respondent admits the allegation that at some point, she became aware that National Note was having cash flow problems and was having difficulty making investor payments. She denies the allegation that this awareness was as early as October 2010. Respondent admits the remaining allegations of paragraph 8, but affirmatively asserts that all times she was assured by Wayne Palmer that there were sufficient assets to secure notes issued to investors and that cash flow problems were temporary.
9. The allegations do not identify the purported investor with sufficient specificity to permit Respondent to answer the allegations in paragraph 9; she lacks sufficient knowledge to respond and therefore denies the same.
10. Respondent denies the allegations in paragraph 10.
11. Respondent denies the characterization that her e-mail correspondence “shows that National Note was in financial trouble.” Respondent lacked sufficient knowledge to know whether the loans National Note made to other entities were adequately collateralized. Respondent affirmatively asserts that at all times she believed and was assured that there were sufficient assets to back National Note’s obligations to investors and that Wayne Palmer’s investment in the precious metals extraction business would realize enough profits to pay all of National Note’s obligations to its investors. Respondent admits the remaining allegations in paragraph 11.
12. Respondent admits that spread sheets tracking investor payments were generated as alleged in paragraph 12, but denies that they were produced at her direction. Respondent lacks a sufficient factual basis for responding to the allegations as to what specific information these spreadsheets contained and that “voided” entries indicate that checks were not paid at all and therefore denies the remaining allegations.
13. Respondent admits the allegations in paragraph 13
14. Respondent admits that she corresponded by email with investors, spoke to investors and handled paperwork. She denies the broad assertion that she “answered their questions.” In the absence of any

identification or specificity as to who she corresponded with or spoke to, Respondent denies the broad assertion that these were “new investors.” Respondent affirmatively asserts that all questions regarding the nature of the program, risks etc., were forwarded to Wayne Palmer.

15. Respondent denies the broad assertion that she did not disclose or discuss National’ Notes financial problems with any new investors in late 2011 or early 2012 and affirmatively asserts that, as the bookkeeper, she had no legal obligation to do so as she did not solicit investments. Respondent denies the remaining allegations in paragraph 15.
16. Respondent, denies the allegations in paragraph 16.
17. Respondent admits that she handled the deposits of investor funds into Chase bank account and the payment of investor returns from the Wells Fargo account, but affirmatively asserts that all payments to investors were made at the direction of Wayne Palmer. Respondent lacks a sufficient factual basis to know whether the various projects National Note loaned money to fund were generating enough to pay operating expense and investors and therefore denies the remaining allegations in paragraph 17. Respondent affirmatively asserts that she was always assured by Wayne Palmer that there were sufficient assets in these projects to back the loans from National Note.
18. Respondent denies the allegations in paragraph 18.
19. Respondent denies the allegations in paragraph 19.

D. VIOLATIONS

1. Respondent denies the allegations in paragraph 1.
2. Respondent denies the allegations in paragraph 2.
3. Respondent denies the allegations in paragraph 3.

FIRST DEFENSE

The Division’s Cease-and-Desist allegations fail to state a claim upon which relief can be granted.

SECOND DEFENSE

Some or all of the Division's claims are barred because the Division is unable to establish the requisite scienter element.

THIRD DEFENSE

Some or all of the Division's claims are barred because some of the securities at issue do not require registration.

FOURTH DEFENSE

Some of the Division's claims are barred because the Division has failed to establish the alleged Ponzi scheme.

FIFTH DEFENSE

Some or all of the Division's claims are barred because the Respondent did not know, and in the exercise of reasonable case, could not have known of any alleged untruth, misstatement or omission in any written document or oral statement upon which the Division purports to base its alleged claims.

SIXTH DEFENSE

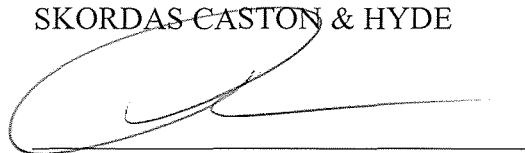
Some or all of the Division's claims are time barred.

PRAYER FOR RELIEF

WHEREFORE, Respondent asks that the claims for relief and causes of action asserted by the Division be denied.

DATED this 26th day of December, 2013.

~~SKORDAS CASTON~~ & HYDE

A handwritten signature in black ink, appearing to read 'Rebecca Hyde Skordas', written over a horizontal line.

Rebecca Hyde Skordas
Attorney for Respondent